UNITED
NATIONS

E

Economic and Social
Council

Distr.
GENERAL

E/ECE/1349
21 February 1997

ENGLISH
Original: ENGLISH/FRENCH

ECONOMIC COMMISSION FOR EUROPE

Fifty-second session
(Provisional agenda item 4 (c))

COOPERATION AND COORDINATION OF ACTIVITIES WITH OTHER ORGANIZATIONS AND INSTITUTIONS AND SUBREGIONAL GROUPINGS ACTIVE IN THE ECE REGION

Note by the Executive Secretary

1996 has been marked by efforts of the secretariat to multiply contacts in order to promote the use of the instruments (conventions, norms, standards and guidelines) developed in ECE and to improve working relations with ECE partners.

This involves substantial time and resources. To ensure the success of these efforts, it is expected that, as requested by the Plan of Action, government representatives in PSBs and other forums will act in order to draw the full benefit of the expertise and specific assets of each institution.

The present report gives a short overview of the ECE activities related to cooperation and partnership with the United Nations and other institutions active in the ECE region, in particular OECD, Council of Europe and EBRD. One part of the report refers to the cooperation with OSCE in response to decision D (51) by providing information on ECE cooperation with the OSCE Economic Forum and the Global Common Security Model for the twenty-first century. Cooperation in the Mediterranean is also highlighted in response to decision E (51). Proposals developed with the ECE Mediterranean member States are briefly presented while ECE activities in the subregion are shown in the Annex.

New developments in ECE cooperation with subregional groupings include cooperation with BSEC, CEI and CIS. ECE relationships with the business community in response to decision B (51) are based on the ECE Plan of Action (E/ECE/1347). Cooperation with NGOs has been further expanded.

GE.97-20457 (E)

INTRODUCTION

1. Chapters IV and V of the Plan of Action set out the principles and mechanisms involved in relations with institutions and bodies active in the region and with businesses and non-governmental organizations. During implementation of the Plan in 1997, special emphasis will be put on the responsibilities of subsidiary bodies and their branches; the secretariat will offer them support in fulfilling their tasks. Wherever possible the secretariat will use electronic means of communication in its relations with its partners; some meetings will, however, be necessary - to explain the relevance of Commission activities to the problems under consideration, to design joint activities, and to avoid embarking on projects that duplicate the work of the Commission. If member countries' delegations on the various bodies are kept informed of what ECE is doing, there is less risk of duplication and cooperation becomes easier.

2. Relations with institutions working in Europe were expanded in 1996, both in order to make ECE activities, conventions and standards more widely known and applied, and to spread the load better. Besides the special attention which has been paid to the economies in transition since the beginning of the decade, care is now being taken to be more responsive to the expectations of the Mediterranean countries and to reflect their accomplishments in publications. The secretariat has also entered into relations with local and regional authorities with the aim of informing them about conventions and standards of particular interest to them in relations with their counterparts in neighbouring countries.

3. Cooperation with OSCE has been stepped up, and there have been very encouraging results from the cooperation between ECE and ESCAP, UNEP and WHO. In each case, ECE expertise has been acknowledged and ECE work has been used in furtherance of these organizations' objectives.

4. The present report provides a short overview of ECE cooperation with the United Nations system and other international institutions or regional groupings as well as with the business community and non-governmental organizations (NGOs).

A. COOPERATION WITH THE UNITED NATIONS SYSTEM AND OTHER INSTITUTIONS AND INTERNATIONAL ORGANIZATIONS

5. Cooperation with United Nations bodies and agencies, including the regional commissions, has been pursued through the established mechanisms for the overall coordination of United Nations activities. It has covered different areas of work, such as the follow-up to major United Nations conferences, sustainable development, alleviation of poverty, the post-conflict reconstruction efforts as well as operational activities. The ECE provided inputs for the system-wide efforts to increase cooperation with the Bretton-Woods Institutions.

6. It is worth noting the close cooperation with ESCAP in developing joint projects for Central Asia and its interest in benefitting from ECE experience or achievements in conventions or norms and standards related to environment, trade facilitation and transport. Similarly UNEP and WHO intend to build on

the ongoing work on Persistent Organic Pollutants in the framework of the Convention on Long-range Transboundary Air Pollution to prepare a global convention.

7. The European Commission is very active in the intergovernmental contacts of ECE. Its participation in the reform process has been important and it is expected that in the future EC will participate actively in all the bodies retained after the reform. Regular consultations are held with the Directors-General covering the field of ECE activities. Different contacts about the SECI initiative as well as the participation of the ECE representative in a meeting organized in the framework of the Royaumont Process will facilitate synergies and avoid duplication. Projects submitted for the PHARE and TACIS are under consideration. It is hoped that the legal advisors of both institutions will recognize the possibilities for ECE to participate in tender procedures, as is the case for UNCTAD.

8. Cooperation with OECD continued with emphasis on statistics and data collection, trade and investment, regulatory aspects of road transport, organization of transport and environment conferences in Vancouver and Vienna, energy and environment. The Executive Secretary visited OECD in order to explore with the newly appointed OECD Secretary-General the modalities of future cooperation with particular reference to OECD extension of membership and activities in favour of countries in transition.

9. Cooperation with the Council of Europe was marked by the Conference on Progress of Economic Reform in Central and Eastern Europe which took place in Warsaw in May 1996. Organized jointly by the Parliamentary Assembly of the Council of Europe and the ECE, it was the third meeting of this kind, following those held in Budapest in 1990 and Helsinki in 1993. The ECE publications analysing the reform process in countries in transition were largely used as a basis for discussion and, as outlined by the Warsaw Declaration adopted at the Conference, the participants welcomed the contribution of the Council of Europe and of the ECE in building bridges of understanding across the continent and helping to establish the structures and legislative foundations required for a market-oriented economy. Furthermore, the Sub-Committee on International Economic Relations of the Parliamentary Assembly of the Council of Europe met with the ECE in December 1996 in Geneva, for an exchange of views in the fields of economic analysis, environment and transport.

10. Particular attention was paid to reinforcing cooperation links with the European Bank for Reconstruction and Development in areas where activities of both organizations are mutually reinforcing. The EBRD support was particularly relevant for the ECE ongoing programmes on energy efficiency, trade finance, and small and medium-sized enterprises.

B. COOPERATION WITH OSCE

11. Decision D (51) renewed the ECE mandate to strengthen cooperation with OSCE in the economic dimension within existing resources. In fulfilling this

mandate an additional effort was made to help the OSCE secretariat with the conceptual and programming stage of OSCE economic activities. To this effect the Executive Secretary and staff members visited and exchanged views with the OSCE secretariat and the representative of the Chairman-in-Office well in advance of the Economic Forum and of the seminars to which ECE contributed.

12. Substantive contributions were provided to the OSCE Economic Forum where ECE also assumed responsibilities of moderator and rapporteur. Preliminary discussions have taken place with the representatives of the Chairman-in-Office on the ECE contribution to the 1997 Economic Forum on the topic of "Law and Market Economy".

13. ECE participated in the OSCE Seminar on the Framework for Private Sector Development for International Investments and Industrial Cooperation held in Minsk, Belarus in September 1996 and contributed three papers related to public-private partnership in assisting transition countries to attract international investments with specific attention to infrastructure as well as on the importance of good corporate governance on making privatization effective.

14. ECE also participated and contributed to the OSCE Seminar on Promoting Sustainable Environmental Development in the Aral Sea Region held in October 1996 in Tashkent.

15. The Executive Secretary attended the OSCE Lisbon Summit in December 1996, which confirmed that OSCE would rely on better equipped institutions, in particular in the economic field. Contributions from ECE were praised on several occasions.

16. ECE stands ready to contribute to the reflection on the economic aspects of the security model for the twenty-first century. The Executive Secretary referred to it in the statement he circulated in Lisbon as well as in the intersecretariat meeting (United Nations, OSCE, Council of Europe). A paper has been prepared which underlines the necessity to base any early warning indicator system on an in-depth analysis of the mix of the economic, political, cultural and social events which can trigger tension or conflicts. The security model may also integrate environmental conventions and norms agreed upon by the Environment for Europe process, as stipulated by the Declaration of the OSCE Parliamentary Assembly resulting from its meeting held in Stockholm in July 1996 which considered the Common Global Security Model for Europe of the twenty-first century.

C. COOPERATION IN THE MEDITERRANEAN

17. In response to decision E (51) which reflected the growing awareness of the need to strengthen cooperation in the Mediterranean, the ECE paid particular attention in its regular work to Mediterranean countries, providing more information on their evolution and taking into account their specific concerns. In addition, ECE carried out a series of consultations with interested member States and relevant institutions. Particular emphasis was

given to the consultations with the European Union and with those ECE member States which qualify for assistance by the European Union under the follow-up terms of the Euromediterranean Conference in Barcelona, namely Cyprus, Israel and Malta.

18. An overview of all ECE activities of particular interest to or precisely focused on the Mediterranean countries is annexed in tabular form.

19. The following proposals which may be supported by the European Union were discussed with the Mediterranean countries:

- A Seminar on quality assurance and metrology, organized by the Cyprus Organization for Standards and Control of Quality and ECE;
- A Workshop on transboundary air pollution, to be held in Malta during 1997;
- A Workshop on solar applications and energy efficiency in building design and town planning;
- A mechanism for setting up small and medium-sized enterprises in south Mediterranean countries.

20. The ECE and the ECA secretariats are preparing jointly the report on the activities carried out in the framework of the Europe/Africa permanent link through the Strait of Gibraltar which has to be submitted to the 1997 session of the Economic and Social Council (E/1995/46).

D. COOPERATION WITH SUB-REGIONAL GROUPINGS

21. Cooperation with sub-regional groupings continued taking into account the points raised in the Note by the Executive Secretary to the fifty-first session of the Commission (E/ECE/1334).

(i) Black Sea Economic Cooperation (BSEC)

22. The ECE continued its cooperation and support to BSEC. The Executive Secretary has forwarded to the BSEC Chairman-in-Office from the Russian Federation some pragmatic ideas on possibilities of strengthening cooperation in areas of common interest which include energy, transport, environment, trade and investment. In response the BSEC secretariat has supplied a list of studies, seminars or workshops to which a contribution from ECE would be appreciated. It is being studied by the relevant ECE divisions.

23. The ECE study on "BSEC in Energy-Momentum and Opportunities" will be updated, and assistance provided in high voltage energy grid interconnections.

24. The ECE internationally legally binding agreements and conventions provide a framework for the development of international road, rail, inland waterway and combined transport in the BSEC region. The ECE contributed to the documentation for the Conference of the Ministers of Transport of BSEC and CEI countries held in Sofia in November 1996 and took an active part in the meeting.

25. During 1996 the ECE attended the Seventh and Eighth Meetings of the Ministers of Foreign Affairs of BSEC member States held in Bucharest and Moscow. It also supported the work of the BSEC Business Council, which could open up new possibilities for future interaction with the business community.

(ii) Central European Initiative (CEI)

26. The Executive Secretary attended the Meeting of Heads of Governments of CEI held in Graz in November 1996 at which the Republic of Moldova was admitted as a full member of CEI. The Heads of Governments expressed interest in initiating systematic cooperation between the CEI and ECE in order to implement projects of common interest, especially in the areas of environment, transport and small and medium-sized enterprises.

27. The Heads of Governments welcomed the establishment of a system of project groups and CEI project coordinators in order to prepare bankable projects. To this end ECE sent its comments on the transport projects to the newly established CEI Centre for Information and Documentation in Trieste. It should be noted that the EBRD will cooperate closely with CEI on the elaboration of the project. An on-line information network will be established with EBRD, the World Bank and CEI Chambers of Commerce with the financial support of the Italian Government. The ECE will monitor the process and further explore the possibilities of cooperation.

(iii) Commonwealth of Independent States (CIS)

28. Working contacts have been maintained with the Executive Secretariat of the Commonwealth of Independent States on the basis of the Cooperation Agreement concluded in May 1996, which envisages consultations, exchange of information and documentation and reciprocal participation at meetings.

29. Agreement was reached with the Interstate Economic Committee of the Economic Union of CIS to share experience and develop cooperation related to ECE conventions, norms and standards, particularly in the field of transport, environment and energy.

30. It has been agreed in principle that other concrete activities will be explored and developed through the ECE advisory services.

(iv) Other regional groupings

31. Contacts were maintained with other groupings as required, however no new cooperation arrangements have been negotiated.

E. COOPERATION BETWEEN THE ECE AND THE NGOs AND BUSINESS COMMUNITY

ECE's relationship with the business community

32. ECE has continued to enhanced its links with the business community pursuant to decision B (51). The private sector is involved in many of the Commission's activities in such areas as norms and standards setting, the environment and human settlements, the "Environment for Europe" process, trade facilitation, East-West trade and investment promotion, transport regulations,

industrial cooperation, energy, the activities of the Gas Centre and the Energy Efficiency 2000 Project. The business community actively participates in seminars, round tables, workshops and study tours organized under ECE auspices which provide opportunities for business contacts.

33. The private sector provided direct financial support for the implementation of relevant ECE programmes through contributions to respective trust funds. ECE working groups that have developed ideas and launched initiatives which are financed by the private sector itself have proved to be resource efficient. For example, under the auspices of the Working Party on International Contract Practices in Industry, the ECE's Group of Legal Experts, composed of private sector experts, has been constituted to draft model Guidelines of Build Operate Transfer (BOT) and other new project finance techniques for central and eastern Europe. The Group consists of over 30 members drawn from international banks, construction companies, utilities, law firms and universities and business schools.

34. Established in December 1996, the ECE Advisory Group on Real Estate has two objectives: (i) to provide legal, institutional, management and financial advice to countries to improve the environment for real estate investments; and (ii) to identify within countries investment opportunities in the real estate sector in order to stimulate interest from foreign investors.

35. In order to promote assistance to economies in transition, ECE advisory services regularly provide information to countries on financial engineering in cooperation with financial institutions. ECE has developed business guides to assist countries in transition.

36. To diversify its contacts with the private sector, better to grasp the difficulties that entrepreneurs face in the transition process, and also to promote ECE instruments, the secretariat has participated in or prepared substantive contributions for the Davos Economic Forum, Economic Forum in Crans Montana and Malente Symposium. In this spirit, ECE has also recently concluded a Memorandum of Understanding with the Institute for Global Leadership (IGL) set up by the Forum of Crans Montana.

37. Consultations took place with the International Chamber of Commerce as well as with the Junior Chamber International, an international organization gathering together young businessmen. The ECE participated in the Round Table Conference "The European Security Model: the View of Representatives of Private Business", organized by the International Vienna Council (IVC) in Vienna in October 1996 at the Bank of Austria. The possible establishment of a Business Advisory Council within the framework of the OSCE was discussed at the Round Table.

38. One of the highlights of the Commission's fifty-first session was the convening of a Round Table Conference on Sustainable Industrial Development. The business community, represented by chief executive officers of five large multinational companies active in central and eastern Europe, met with political leaders from three countries in transition. Chaired by Percy Barnevik, Chairman of Asea Brown Boveri (ABB), the panellists, in a lively, well attended discussion identified the weak points in the transition process, debated problems of international trade, foreign direct investment,

local training, the development of human resources and developed concrete solutions to overcome these problems and to speed up the transition process. According to the participants in the Round Table, dialogue between governments and the business community is crucial for reforms to become stable and permanent in the transition economies and they recommended that the ECE could serve as a forum to facilitate such exchanges. The proceedings are being published.

39. Continuing and expanding the Commission's cooperation with the private sector will require the ECE to develop activities which address the concerns of the business community. Future actions to achieve this objective were discussed throughout the ECE restructuring process and are stipulated in the Plan of Action (E/ECE/1347).

Non-governmental organizations (NGOs)

40. ECE enjoys broad and fruitful cooperative relations with NGOs and other actors of civil society particularly academic institutions and professional associations. NGOs regularly participate in the Commission's activities by attending its meetings, seminars and workshops. They offer expert opinions and contribute to the decision-making process in their areas of interest.

41. In order to facilitate inter-agency coordination and develop mechanisms for enhancing NGO and business community involvement in its activities, the ECE participates in meetings organized by the NGO Liaison Office at Geneva and the UNOG Working Group on NGO Relations. ECE also participates in the CONGO Sub-Committee on Women and interacts with the ECE/NGO Working Group on Women related to their programmes in the ECE region. Contributions were also made through the established coordination mechanisms of the United Nations system on how to further improve interaction with the NGO community.

ANNEX

AREA OF WORK	REGIONAL ACTIVITIES OF PARTICULAR INTEREST TO MEDITERRANEAN COUNTRIES	ACTIVITIES SPECIFICALLY FOCUSED ON MEDITERRANEAN COUNTRIES	INFORMATION STUDIES AND PUBLICATIONS RELATED TO THE SUB-MEDITERRANEAN REGION
Economic analysis		In the ECE International Migration Bulletin the most recent migration flows from east and south Mediterranean countries to Southern Europe and other European countries are reported. Recent issues of the Bulletin have featured immigration to Italy and Spain.	ECE International Migration Bulletin, semi-annual publication.
Statistics	Within the statistical analysis of the ECE region, more information on Mediterranean countries has been provided.		
Trade	Initiated contacts with the European Commission regarding the possible development of cooperation for the benefit of Mediterranean countries. Proposal on mechanism for enterprise creation in transition economies of the Central European Initiative (CEI) for Italian funding.	Planning for a workshop on conformity assessment and quality development to be held in Cyprus in October 1997 addressed to all Mediterranean rim countries. Seminar organized by Cyprus Organization for Standards and Control of Quality and ECE on quality assurance and metrology.	
Agriculture and timber	Seminar on Forests, Fire and Global Change was held in Shushenskoye (Russian Federation), August 1996, under the auspices of Joint FAO/ECE/ILO Committee on Forest Technology, Management and Training.	In the forestry/timber field this activity is held under the FAO statutory body, *Silva Mediterranea*, which reports to the FAO Commission for Europe, Africa and the Near East. A close partnership exists between the Timber Section and the EC DG VI in the field of forest fire statistics.	

AREA OF WORK	REGIONAL ACTIVITIES OF PARTICULAR INTEREST TO MEDITERRANEAN COUNTRIES	ACTIVITIES SPECIFICALLY FOCUSED ON MEDITERRANEAN COUNTRIES	INFORMATION STUDIES AND PUBLICATIONS RELATED TO THE SUB-MEDITERRANEAN REGION
Environment and Human settlements	Contribution to the United Nations Conference on Human Settlements (Habitat II), June 1996 on urban and regional planning, housing, tourism and environment by the ECE workshop on sustainable water supply and management in cities, Istanbul, October 1996. ECE/CSEA workshop on energy and the environment for sustainable prosperity, Opatija, Croatia, October 1996.	Workshop on Long-range transboundary air pollution to be held in Malta. Meeting on problem areas in the historic centres of the Mediterranean and sustainable development, Greece, May 97, followed by a study tour on the same subject in Egypt. ECE/FAO workshop on water pollution and protection in agricultural practice, Zagreb, March 1996.	Contribution of Meeting of Experts on Human Settlements Problems in Southern Europe to Habitat II (ECE/HBP/98).
Transport	Inland Transport Committee (ITC) promotes international transport agreements so that all Mediterranean countries would adhere to them. ITC has established a short list of workshops to promote cooperation in the Mediterranean area, such as on legislation and international agreements in transport and financing of inland transport infrastructures.	ITC requested the Working Party on Transport Trends and Economics to ensure a deeper cooperation with the Mediterranean countries. ECE and ECA secretariats are preparing a report on the activities carried out in the framework of the Europe/Africa permanent link through the straits of Gibraltar, to be submitted to the 1997 ECOSOC session. Workshop on Financing Transport Infrastructures in the Mediterranean Region is being organized and expected to be held in 1997.	
Energy	Questionnaire on foreign investments in the gas industry.	Proposal on Solar Applications and Energy Efficiency in Building Design and Town Planning. Seminar on the role of foreign direct investment in the gas industry in economies in transition and southern Mediterranean countries, Tunis, November 1996.	Manual for practising architects and engineers: Energy efficiency design and related computer programme.

AREA OF WORK	REGIONAL ACTIVITIES OF PARTICULAR INTEREST TO MEDITERRANEAN COUNTRIES	ACTIVITIES SPECIFICALLY FOCUSED ON MEDITERRANEAN COUNTRIES	INFORMATION STUDIES AND PUBLICATIONS RELATED TO THE SUB-MEDITERRANEAN REGION
Industry and Technology	Working Party on the Chemical Industry, Seminar on Ecological Application of Innovative Membrane Technology in the Chemical Industry, Italy, May 1996.	Workshop on the development of SMEs, Milan, Italy, June 1996. Proposal on mechanisms for setting up SMEs in south Mediterranean countries.	Updating 1994 Directory of Chemical Enterprises in the Mediterranean European Region.